



ఆంధ్రప్రదేశ్ రాజపత్రము
THE ANDHRA PRADESH GAZETTE
PUBLISHED BY AUTHORITY

W.No.40

AMARAVATI, MONDAY, OCTOBER 7, 2024

G.512

PART II - MISCELLANEOUS NOTIFICATIONS OF INTEREST TO THE PUBLIC

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NOTIFICATIONS BY HEADS OF DEPARTMENTS Etc.,

CIVIL JUDGE'S COURT (SENIOR DIVISION)
MANGALAGIRI

Monday, this the 5th day of August, 2024.

I.P.No.19 of 2023.

Between:-

Macharla Naga Venkata Anjaneyulu,
s/o. Late Balaiah, 43 years, Presently no occupation,
r/o.8-227, Bhargavapeta, Mangalagiri Town,
Mangalagiri Mandal and JCJC.

... Petitioner.

And

1.Chillapalli Venkateswarlu,
s/o. Ramulu, 60 years, Business,
r/o.5-488-C, Opp. Raghava Cool Drinks Shop,
Gajjulavari Street, Mangalagiri, Mangalagiri JCJC.

2.Vangara Nagarjuna,
s/o. Venkateswara Rao, 46 years, Hindu,
Private Employee, r/o.5-182M, Weavers Colony,
Mangalagiri.town, mandal and JCJC.

3.The Official Receiver,
District Court Complex, Guntur.

... Respondents.

This Insolvency Petition is coming on 15.07.2024 before me for final hearing in the presence of Sri M. John Peter, Sri E. Surya Prakash, Advocates for the Petitioner and the Respondents 1 and 2 remained *ex parte* and the matter is having stood over for consideration till this day, this court made the following:-

ORDER

This Insolvency Petition is filed by the petitioner under Section 10 of Provincial Insolvency Act to declare him as an insolvent and for costs of the petition.

2. The case of the petitioner as per the averments mentioned in the petition is as follows:-

The petitioner is permanent resident of Mangalagiri Town and he used to run small businesses and also doing part time jobs. For the purpose of his family expenses and to run his business, he raised loans from the respondents 1 and 2. He borrowed the said amounts from the respondents at higher rate of interest i.e., Rs.10/- per month per hundred. While borrowing amounts, he executed blank signed promissory notes and also issued blank cheques to some of the respondents towards security. His debts are shown in petition 'A' schedule.

b) It is further case of the petitioner that he tried his level best to raise funds and to discharge the amounts due to the creditors. But, he could not succeed. In view of the same, the respondents are making attempts to cause harm to the petitioner and threatening with dire consequences. Further, the respondents are threatening to file suits on the basis of promissory notes and criminal cases under Negotiable Instruments Act. Due to bad luck, the petitioner could not come out from the situation and caught in the neck deep financial crisis. The total liability is to a tune of Rs.2,20,00,000/- which is more than his assets. The petitioner is suffering with severe financial crisis. He paid interest from time to time to the respondents 1 and 2, but, he is unable to pay the principal amounts to the respondents 1 and 2. The petitioner is having schedule 'A' debts and schedule 'B' amounts due to the petitioner from his debtors. He had no other recoverable amounts or any assets of movable or immovable properties except 'B' schedule amounts. Hence, the petition.

3. The 1st respondent refused to receive notice sent from the court and that after service of notice, the 2nd respondent failed to appear before the court. Hence, they were set exparte.

4. During the course of enquiry, the petitioner himself examined as P.W.1 and no exhibits marked on his behalf.

5. Heard the counsel for the petitioner and perused the material available on record.

6. Now the point for consideration is:-

Whether the petitioner is entitled to adjudicate him as an insolvent under the provisions of Provincial Insolvency Act?

POINT:-

7. The learned counsel for the petitioner argued that the petitioner used to run small businesses and also doing part time jobs, for the purpose of his family expenses and to run his business, he raised loans from the respondents 1 and 2. He borrowed the said amounts from the respondents at higher rate of interest i.e., Rs.10/- per month per hundred and he executed blank signed promissory notes and also issued blank cheques to some of the respondents towards security. He tried his level best to raise funds and to discharge the amounts due to the creditors, but, he could not succeed. As such, the respondents are making attempts to cause harm to the petitioner and threatening with dire consequences. Further, the respondents are threatening to file suits on the basis of promissory notes and criminal cases under Negotiable Instruments Act. Due to bad luck, the petitioner could not come out from the situation and caught in the neck deep financial crisis. The total liability is to a tune of Rs.2,20,00,000/- which is more than his assets. The petitioner is suffering with severe financial crisis. He paid interest from time to time to the respondents 1 and 2, but, he is unable to pay the principal

amounts to the respondents 1 and 2. He has no movable or immovable properties in his name. Hence, the petition.

8. To establish his case, the petitioner himself examined as P.W.1 and reiterated his case as mentioned in the petition. Since the respondents 1 and 2 remained exparte, the evidence of P.W.1 became unchallenged. The unchallenged testimony of P.W.1 clearly established that the petitioner borrowed amounts from the respondents 1 and 2 in order to meet his financial necessities. But, due to financial crisis, he is unable to discharge the said debts and his liability exceeds to a tune of Rs.2,20,00,000/-. Whereas, he has no movable or immovable properties and further, he is unable to discharge the debts to the respondents 1 and 2. In view of the same, the respondents are threatening the petitioner in dire consequences and also threatening to file both civil and criminal cases. Under these circumstances, the petitioner forced to file the present petition.

9. On perusal of 'A' to 'F' schedules filed by the petitioner, in 'A' schedule, the debts due to the respondents 1 and 2 shown as Rs.2,20,00,000/-, in 'B' Schedule, the debts payable to the petitioner are shown as Nil, in 'C' schedule, the wearing apparels are shown, in 'D' and 'E' schedules, the movable and immovable properties are shown as Nil and in 'F' schedule, bank accounts, Policies, F.D.Rs., shares etc. are shown as Nil. Under these circumstances, the liabilities of the petitioner are exceeded and the petitioner became an insolvent and is unable to discharge the debts to the respondents 1 and 2. In view of the same, the petitioner is entitled to adjudge him as an insolvent as prayed for. Accordingly, this point is answered.

10. In the result, this Insolvency Petition is allowed by adjudicating the petitioner as an insolvent. Time for discharge is six months from the date

of this order.

The office is directed to send the copy of this order to the District Collector, Guntur for publication of Gazette Notification in compliance with Section 30 of the Provincial Insolvency Act.

No order as to costs.

Dictated to the Stenographer, transcribed and typed by him, corrected and pronounced by me in the open Court, on this the 5th day of August, 2024.

Y. NAGA RAJA,
Civil Judge (Senior Division),
Mangalagiri.

Appendix of Evidence
Witnesses Examined

For Petitioner:

PW1 : M. Naga Venkata Anjaneyulu

For Respondents 1 and 2: None (Exparte).

Documents Marked

For Petitioner: Nil.

For Respondents 1 and 2: Nil (Exparte).

Y. NAGA RAJA,
Civil Judge (Senior Division),
Mangalagiri.
[Dis.No.543.]

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